

FINAL REPORT

**Wisconsin Department of Agriculture, Trade and Consumer Protection
Agriculture Development and Diversification Program**

**Title: Feasibility of Marketing Traditionally Slaughtered and Processed Meat to
Economically and Culturally Diverse Families, Food Markets and Restaurants**

Shepherd Song Farm
Larry Jacoby
N12835 County Road Q
Downing, WI 54734

Contract Number: 19046
May 15, 2005

Project Summary

September 2004-May 2005

In August of 2004, Shepherd Song Farm received a Wisconsin Department of Agriculture Development and Diversification (ADD) grant to conduct a feasibility study of marketing traditionally slaughtered and processed meat to economically and culturally diverse families, food markets and restaurants. Two particularly important activities were the Somali Meat Preference Survey with the University of Wisconsin River Falls Extension Survey Department and the halal-kosher slaughter and processing trials.

Project Status

The following objective and activities were accomplished:

Objective 1: Determine feasibility of marketing halal certified value-added goat/kid within a hundred mile radius of our farms.

Activities:

1.1 Advisory Group: Research entering the halal market with traditionally slaughtered goat/kid through consultation with Samoli community, business people and families. (A) to determine needs and current availability of kid products; (B) facilitate survey, marketing and outreach plan.

(a) Regular meetings were held with a Minneapolis metro area advisory group of male adults. In November an additional woman's group was initiated. The women tend to be the purchasers of processed meat products, the men tend to be the purchasers of live animals. The two different views were critical when samples of processed meat were made available to the group members. These meat samples were immediately accepted as halal by the group members and their friends and family. When samples were offered to the Barron, WI community through a Somali contact the reception has hesitant. Official consultation needed to take place with a religious expert in the community before the meat was accepted with some lingering reservations.

(b) The Minneapolis metro area Somali Meat Preference survey was conducted in October. 137 responds were obtained with 95% certainty that estimated values are + or – 8.5% of value. See Appendix B. Basically equal numbers of male and female responses were received. Female responses were collected by a female enumerator, male responses from a male enumerator.

We discovered the development of a survey targeted for the Somali population was more complex than originally anticipated. Some of the issues included:

- Selecting a random sampling from a newly immigrating group
- Frequent lack of telephones for access
- Highly mobile

1.2 Secondary Research: Data on demographics, current establishments, marketing projection (i.e. size of population, rate of consumption, time or year, product variables, cultural attributes) within a hundred mile radius of our farm including the Twin Cities metro area.

See summary report in Appendix A.

1.3 Test Market: Collect primary data by halal processing 25 premium kids to establish a base line for acceptability, fixed and variable costs and profitability.

Live goats (6) were distributed in November to the male advisory group members at their request and preference for the whole animal. This was followed by two lamb and kid trials in March (7) and April (17) at a USDA slaughter and processing facility to meet the requirements of the grant proposal and the requests of the women advisory group members. The University of WI-River Falls Agriculture Department provided permission to use their facility for halal slaughter. We decided against this as it would be only for the trial and could not be used for ongoing slaughter and processing requirements. A local state inspected facility was willing to work with us. The WI state facility would have limited the final product to WI residents. The initial USDA facility located in Cannon Falls that we had planned on using when making the grant proposal had stopped doing sheep and goats due to low profit margins in the fall of 2004.

The only other USDA facility in our area went under new management in November. The new owner was very interested in working with us on this project and this allowed the slaughter and processing trial to proceed. At this time a group of rabbis reinitiated contact with us regarding doing kosher slaughter. Due to limited resources we were focusing on the halal process. With their request to be included and with information from Dr. Joe Regenstein, Madison visiting professor from Cornell University, on the advantages of dual halal-kosher certification the two groups united (halal and kosher) and did the trials together with the goal of having a meat product that would be acceptable to both the halal and kosher consumer.

The trials provided preliminary information about processing and quality data. Neither was large enough to provide valid data on processing time or rejection rates. Concern over the proper upright restraint for halal slaughter is a problem that was never resolved.

1.4 Translation: Provide translators for the advisory groups and survey questions.

1.5 Transcribed: Summary records of advisory group's discussions and surveys.

Translations were done on an as needed basis. The advisory group ranged from good English to basically no English. This was a necessary part of this project but time consuming and expensive.

1.6 Survey: Develop a short survey and do personal interviews to determine needs and current availability of kid/goat products to culturally diverse restaurants and food markets.

The metro ethnic market and restaurants were interviewed. Producers were also surveyed. See Appendix C.

1.7 Primary and Secondary Research: Investment, licensing, permits, holding areas, facilities, transportation costs and additional requirements to the current infrastructure.

There was much contradictory information and the WI Department of Agriculture Food Safety was contacted directly. We are applying what we learned to the development of a small mobile facility for custom slaughter. A preliminary drawing has been done that could be adapted to either a used bus or RV vehicle. The drawing is attached. The cost will be within what a small group of producers could invest without undo hardship and share the facility between them. Keith Brackee, also on this project and a former butcher in Montana, is developing it with Larry. They plan on building it this summer for a trial in the fall. Now that the Somali families in Barron have begun trusting us we need a place for live animal slaughter. So far one of our Mexican customers has allowed slaughter at his rural home. But this will just work on a temporary basis. It does point to the fact that there is not a good solution in NW WI for direct marketing to the growing number of diverse families that highly value goat and lamb. Whereas, the market in Sioux Falls is booming with kids and lambs going for over \$2 per pound live.

1.8 Summary Report: Collect, analyze data and produce report. See Appendix A.

1.9 Design: Customer database (i.e. contact information and preferences). Was not relevant to this project.

Objective 2: Evaluate and disseminate results to Wisconsin goat, sheep and livestock producers.

Activities:

2.1 Business and Marketing Plan: Feasibility study projections. See Appendix D.

2.2 PowerPoint Presentation: Preparation of overheads and informational folder and present at WI Indianhead Sheep Producers winter conference (average 150 attendees)

A presentation was provided at the WI Indianhead Sheep Producers Conference on February 5th, 2005 for 37 participants. We handed out a survey focused on producer interest in marketing to refugee and immigrant families in our area, pooling animals and desire for additional information as we progress with project. 67 lamb and kid producers provided names and contact information for additional information. About 25 of those appear to be possible sources of lambs and kids. See enclosed folder Appendix F.

2.3 Articles: Collaborate, develop, write and submit articles to appropriate magazines, The Country Today and/or other media on marketing to culturally diverse families and/or grant results.

An article on marketing to culturally diverse families, “Best Kept Secret—The Booming Culturally Diverse Market” was written and submitted to the *Sheep Magazine*. Sheep Magazine was chosen because it appears relatively easy to be published, it is actively seeking articles on relevant topics, it has a large readership of both lamb and kid producers. See Appendix E.

2.4 Publicize: in collaboration with sponsoring partner, the Institute for Agriculture and Trade Policy.

The survey is up at <http://www.agobservatory.org/library.cfm?refid=69757> or <http://www.agobserveratory.org/library.cfm> to see the listing. It is also listed at the University WI – River Falls site: www.uwrf.edu/src/news.html

2.5 Web Page: Develop a web page with marketing research summary.

2.6 Web Page Links: Link to Shepherd’s Song Farm website and contact 2 or 3 other appropriate websites.

The page is completed and will be up by the end of May.

Conclusion

Our proposal to explore the feasibility of marketing traditionally slaughtered and processed meat was initiated by orthodox Jewish families and a Somali co-worker’s request for religiously slaughtered fresh lamb and goat. During the process of attempting to accommodate these requests various challenges arose including:

- Availability (or lack) of State or Federally inspected slaughter and processing facility with religious exemption status and willingness to collaborate.
- The customers desire to choose the live animal and to personally slaughter as accustomed to in the home country.
- The customers desire to purchase at the time of need without future planning and scheduling of purchase with the producer.
- Requirement of animals without lung lesions, not something producers tend to ever see unless they personally slaughter their own meat.
- Artificially low import price of New Zealand and Australia lamb and kid that makes it difficult for local producers to sell a locally grown product profitably without adding perceived value.
- Prohibition of crossing state lines with state inspected product.
- Limited number of USDA inspected facilities for the northwestern Wisconsin producer to utilize for direct marketing regardless of religious slaughter requirements. This limits the producer’s ability to direct market over internet or to the Minneapolis ethnic market.
- Lack of an upright restraint device to hold and prevent stress in the animal during the slaughter process.
- Lack of concern in the sheep industry in general to the ethnic market’s needs.

In the beginning we thought it might be profitable to divert a third of our production to this market. We have ended the year thinking it might be profitable to divert two thirds (the premium animals) of our product to this market. One producer will not be able to meet the need. Wisconsin producers will need to organize and collaborate. Quantity and quality of lambs and kids will be the first barrier to address, immediately followed by the lack of processing capacity in northwestern Wisconsin.

Appendix

- A. Halal-Kosher Summary Report
- B. Charts
- C. Somali Meat Preference Survey
- D. Surveys:
 - a. Meat Market Survey
 - b. Producer Survey
 - c. Summary

Appendix A. Halal-Kosher Summary Report

I. INTRODUCTION

This feasibility study examined the feasibility of direct marketing USDA, fresh, halal-kosher certified lamb and kid meat products to culturally and economically diverse families, tourists and local private schools. The need of individuals and families that value religious certifications that define the product as high quality, safe from drug or pesticide contamination, locally grown on small farms, and guarantees high quality of life standards for animals would be met. The major producers of U.S. lamb products, Australia and New Zealand imports, and the large US kosher certifiers cannot provide *fresh, small-farm raised* lamb or kid. The goal is not to compete with the large frozen meat suppliers. Competing does not make a company viable. The goal is to become a leader in the marketing of certified fresh lamb and kid products to individuals and families that value and/or require certification. This market is unique in the fact that families without traditional religious slaughter requirements also value humane handling, individual blessing and precise processing controls that both halal and kosher certification symbolize.

Shepherd Song Farm History: Larry Jacoby and Judy Moses Jacoby operate a 140 acre farm with 300 ewes and does and market approximately 500 lambs and kids per year. They have been actively involved in the sheep industry for 15 years and direct market USDA “all natural” certified lamb and kid. They started their flock on leased land in 1989 with no buildings or capital investment. The ewes lambled on pasture and were managed using *Holistic Resource Management* 3-part holistic goal as developed by Allan Savory and sustainable agriculture practices. After increasing their flock to 300 breeding ewes and does they purchased and converted a dairy farm. They have spoken at regional sheep conferences on marketing to culturally diverse families, 4-H groups and a private school of 7th and 8th graders. They regularly provide educational farm tours to both public and private school students. They have two adult children with disabilities. They employed two non-rural youth with disabilities as interns in a “First Jobs” program they initiated with Sustainable Agriculture Research and Education (SARE) grant funding.

Sheep and Goat Industry: Locally grown lamb and kid are seriously undervalued in the Northwest Wisconsin area creating an excess supply of premium product that is sold at auction for commodity prices, divided into lots and transported by truck to the live animal markets in Iowa and the eastern metropolitan cities. Currently, in the Minneapolis metro area there is **no** significant supply of **fresh** halal or **fresh** kosher locally grown lamb or kid. Although fresh locally grown meat is preferred, only frozen kosher lamb (from Iowa) and halal lamb and kid (imported from Australia and New Zealand) is available. There is a large, rapidly growing, viable market of economically and culturally diverse families eager to purchase certified, WI raised, fresh lamb and kid (see end user commitment letters).

Opportunity: In the past, barriers to entry into the kosher lamb market have been high. A few suppliers control virtually the entire supply and distribution channel for lamb making traditional distribution and marketing strategies ineffective. With the expansion and success of Internet-based direct marketing is a profitable alternative to traditional channels. It has become feasible and profitable for small producers to provide kosher certified specialty meats (i.e. bison, elk, red deer) to consumers across the country. Producers of lamb, one of the highest valued meats by the kosher community, have yet to recognize this opportunity.

The Somali Muslim Marketing Survey (Trechter, 2004) clearly shows that there is a rapidly growing need for fresh halal kid and lamb in the Minneapolis metro area. The survey found that the most important feature for Somali families is whether the product is certified halal. The most important impediment to purchase was the lack of availability of fresh halal kid and lamb. Price was rated by only 2% of the respondents as being one of the top three most important characteristics. Goat is the meat most commonly consumed by Somali metro families, followed by lamb, with more than 97% reporting that they eat goat meat 5 or more times/week and none consuming it fewer than 3 times/week. This group is young, hard-working, well-educated, and solidly middle-class. It is one of the fastest growing ethnic groups in the metro area with an estimated population of 60,000 by the Minneapolis Somali Community Center (See Bibliography: Trechter & Parks, *Somali Goat Meat Preference Survey*, UW-RF, 2004).

Somali Meat Preference Survey (2004) (137 observations, 95% certain estimated values are + or – 8.5% of value)					
Meal (Sept to Mar)	None	1-2 Meals	3-4 Meals	5-6 Meals	7 or + Meals
Goat	0%	0%	4%	44%	53%
Lamb	0%	10%	16%	57%	17%
Beef	0%	24%	29%	47%	0%
Chicken	1%	79%	19%	1%	0%

II. TRADITIONAL SLAUGHTER PROCESS

Conventional versus Traditional Slaughter (kosher and halal): Currently, lambs and kids are either shocked (not allowed by either kosher or halal slaughter rules) or shackled and hung live for the kill (extremely stressful). Best practices for both traditions require that the animal remain upright, unstressed, and for the kill to be done with a precise cut of a very sharp blade resulting in endorphin release, and no or minimal pain and stress. With few isolated exceptions, this is not occurring in U.S. slaughter facilities for lambs or kids.

The Kosher Process differs from conventional slaughter and processing in the need of constant rabbinical supervision and inspection; a blessing prior to commencing slaughter, a precise knife kill; and the deveining, soaking, salting and rinsing process. Rabbinical supervision of the whole process is required. In keeping with the full Jewish tradition of kosher each animal must be properly killed, following Biblical mandate that one must not cause pain or suffering to any living creature. This is not always adhered to in large commercial facilities. The kosher inspection process begins while the animal is still alive and continues until the finished product is properly labeled and packaged. This system operates under the diligent and watchful supervision of the rabbi inspectors who stringently control the process from slaughter through shipping. The product is continually inspected throughout every step of the process. To be recognized as kosher the product must have a kashruth authority or rabbinical council's official identification symbol located on the package. As consumers become more health conscious the quality inherent to kosher processing provides the assurances of high standards. Consumers are often impressed with the kosher rules and rabbinical supervision and perceive that the kosher products are purer, safer, and of superior quality and taste.

The Halal Process differs from conventional slaughter and processing by the traditional slaughter and blessing and Muslim supervision. Halal means “lawful”. Any product destined for halal labeling must be produced under the strict supervision, assistance, counsel and participation of trained and competent Muslim production inspectors. Inspectors and supervisors require training in religious teachings, production quality and control, product flow systems, cleaning, and the proper use of the production equipment. Inspectors and supervisors must be Muslims, actively practicing their faith with a committed spirit and working knowledge of halal requirements as stipulated in the Qur’an and the Sunnah (teachings of Prophet Mohammed) as stated in the *Halal Industrial Production Standards*, 2000, Dr. Muhammad Munir Chaudry, current president, and Mohammad Mazhar Hussani, founding president, of IFANCA (the Islamic Food and Nutrition Council of America) located in Chicago, IL.

USDA All Natural: Under the “All Natural” certification provided by the USDA growth hormones and byproducts are prohibited. Animals are raised on a regular diet of quality feed free of sub-therapeutic levels of antibiotics. Affidavits must be submitted from the producer, producer’s veterinarian, feed supplier confirming and describing feeding policies. “All Natural” labels can then be affixed to product. USDA Grass-fed certification is under discussion and not yet available. Depending upon the final definition, this certification may also be sought.

III. THE PRODUCT

There will be six value-added products produced. See following chart:

Value-added product	Significance
Fresh kosher kid and lamb	No locally grown fresh kosher lamb or kid available.
Fresh halal kid and lamb	Insignificant amount of locally grown fresh halal goat or lamb available.
Kosher kid	New niche market and opportunity currently not available as an alternative meat.
Dual labeled halal and kosher	Innovative new product (see description below).
USDA “All Natural”	New certification niche market for consumers that value natural food and humane raising and handling.
USDA “All Natural” kosher and halal lamb and kid.	New niche market not available as kosher or halal.

The value-added lamb and kid will be available in the following forms:

- “Glatt”* kosher individual, vacuum-sealed, cuts.
- “Glatt”* kosher gift boxes marketed especially for holiday giving.
- “Glatt”* kosher mixed box (lamb and kid) to market kid as an alternative meat.
- Halal individual, vacuum-sealed, cuts.
- Halal gift boxes marketed especially for Ramadan’s traditional provision of food for those less fortunate.
- Dual certified gift boxes target marketed to individuals that value Muslim and Jewish collaboration and good will (see description below).

- USDA “All Natural” certified individual cuts and gift boxes target marketed to individuals that value all natural foods and/or humane hand slaughter.
 * Note: “Glatt” means smooth. In the meat industry it refers to the condition of lung with minimal adhesions and a proper kill done without stunning. It is the normative standard for kosher in the U.S.

Innovative Product Development: “Dual Certification” according to Dr. Regenstein (conversation, 2005), the majority of Muslims will accept kosher meat as halal (based on the Quoranic verse: “You may eat of the meat of the people of the book...”) if the shochet (Jewish slaughterman) says “Bismellah Allah Akkubah” at the time of slaughter for each animal and if there is Muslim supervision. The different parts of the same animal could be marketed to the two groups. This is particularly important because the U.S. kosher community only accepts the front quarters. This is a marketing opportunity that has yet to be tested in this country.

Dual Certification Economic Advantage: Kosher and halal dietary laws are an integral part of the daily life and faith of traditional Jewish and Muslim families. The demand for certified food tends to be inelastic due to this faith-based set of values and need. This is not an area where families tend to cut costs. The integrity of the provider and brand is highly important. The Kosher Advantage: The kosher tradition is unique in requiring hindquarters to be de-veined. Due to the intense labor cost and skill required to de-vein, the front quarters of lamb or kid (from the 13th rib forward) is the only portion of the carcass that is certified kosher in the U.S. This results in the “prime” hindquarters becoming a byproduct. With no further processing at the slaughter facility the hindquarters can be channeled directly to the halal market turning a “problem” into an immediate sales opportunity. The Halal Advantage: By cost-sharing the processing infrastructure our halal pricing strategy will have more viable options. The higher margin of kosher products will provide an avenue for animals to be slaughtered simultaneously with kosher and then marketed to economically diverse halal families.

“As more and more products have both kosher and halal certification, as America explores the new reality of a diverse salad-bowl society, and as agriculture moves to long-term sustainability, the marketing potential for locally grown, humane animals, such as sheep and goats, represents a new unexplored marketing opportunity. The need to provide meat meeting these diverse requirements is a challenge that we have to meet.” (Support Letter: Dr. Regenstein, 2/19/05).

IV. COMPETITION

Existing Ventures: There are three United States large facilities for “glatt” (highest standard) kosher processing of lamb and none for kid. These plants are located in Postville, IA; Baltimore, MD; and Aurora, IL. All the rest of the plants (60% of kosher production) use post-slaughter stunning, which is not acceptable for “glatt”. These include Green Bay, WI, Texas, St. Louis and Omaha. North Dakota has a kosher bison plant marketing to the New York metro area.

Non-Glatt: For economy of slaughter speed the traditionally slaughtered animal is stunned so the hide can be stripped immediately. The Conservative Jewish consumer accepts this non-glatt standard. The Orthodox consumer does not. As speed of slaughter will not be the limiting factor for our process flow providing Glatt lamb and kid is to our advantage. Basically, there is no

competition for locally raised, natural, glatt kosher lamb. This is an underserved and un-served market wide open for expansion.

There are small halal slaughter and processing facilities in Southeast Wisconsin in the vicinity of the Milwaukee and Chicago metropolitan area. These are state inspected plants. There is as yet no halal processing in the Minneapolis-St Paul metropolitan area. Attempts to open a plant dedicated to halal meat slaughter and processing have been repeatedly defeated due to zoning issues in Minnesota. There is no “fresh” **kosher** lamb or kid meat being distributed into the Minneapolis metro area. And although there is a Wisconsin community of Muslim Somali families (estimated at 500 individuals by the International Center, Barron, WI) there is no source of either frozen or fresh halal goat or lamb meat in that area. Families drive over 200 miles round trip to pick up an average of 25 pounds of goat meat weekly from the Minneapolis metro area (Somali Survey, UW-RF). This is equivalent to one 50-60 pound live goat per family per week. This community tends to be made up of young families, with all male and female adult members working 6 days per week at a turkey processing plant. The one day they have off a week, they pool their resources to make the drive to the metro area to visit other family members and pick up frozen imported goat meat.

“We need to drive for two hours to Minneapolis, MN to stock up for the week. And then home again. This takes us all day. We often work 6 days a week and this is a hardship for many of my friends and families. We purchase 20 to 30 pounds of goat meat a week. This is meat from old goats and is frozen from Australia. We would rather have young, fresh goat.” (Support Letter: Ali Hassan, Barron, WII 3/19/05)

Wisconsin producers have lamb and kid but there is **limited infrastructure** to connect fresh kosher and/or halal slaughtered meat with the consumer. The lack of USDA slaughter and processing meat plants in Northwest Wisconsin was reported as the number one barrier to value-added direct marketing activities as reported in a producer’s survey (Indianhead sheep producers conference, Feb 5, 2004). Northwest Wisconsin producers have been effectively stopped in their attempt to add value to their product by individually direct marketing to consumers in the Minneapolis metro area or through website sales. This is due to federal regulations restricting sales of non-USDA inspected meats across state lines.

At this time there are no USDA meat processing plants in Northwest Wisconsin and only two USDA plants within a reasonable distance to the Minneapolis metro area in Minnesota. One of these plants, Lorentz Meats in Cannon Falls, MN will no longer handle lamb or kid due to increased processing time in comparison to hog and beef (Conversation: September 2004). Community Meats, the other Minnesota USDA facility, was purchased by Natural Pure Meats in November 2004. The owner, Steve Fischer is advising and donating his time to this project for the trials and process costing projections (see commitment letter). Fischer (a bison producer) purchased the facility to prevent the loss of USDA inspection for local direct marketing producers of bison and red deer products. A successful halal and kosher trial of both lambs and kids was done on March 21, 2005 with rabbinical and halal supervision. Collaboration with this facility has made it feasible to move forward with this project.

We have been coordinating kosher custom slaughter options for our Orthodox Jewish customers for the past three years for New Years and Passover requirements. The kill has been done at a state inspected facility, organs inspected and carcass divided at the 13th rib on site. The

deveining, soaking, salting and rinsing procedures are completed at the customer's home. Halal slaughter has also been arranged following these procedures. The challenge occurs when the sale no longer consists of a live animal to a private customer, but processed meat sold as specific cuts. This is the point where both kosher and halal products require qualified, religious supervision and a cooperating state or USDA inspected facility. The requirement of a collaborating rabbi and/or imam with a reputable reputation in the target community will stop most small producers. Expansion locally, regionally and nationally requires that a USDA inspected facility and religious supervision barriers be addressed.

Expansion beyond regional community sales will require the involvement of a national known certification organization for the halal and kosher product to be credible, accepted and recognized. It is unlikely that our kosher or halal products will be sold at this level during the next 5 years. Producers of bison are selling under national certification to a national market. Following their example there is the potential for national expansion in the future. Our current focus is to provide a consistent, high quality product, locally and regionally, using "slow" humane processing and personalized customer service. Marketing on a national level, via Internet, of USDA "All Natural" certified products will be feasible in the start-up phase of this project, but is not one of our main goals. Our focus will remain on local and regional sales.

V. LOCAL AND REGIONAL MARKETING

We value multicultural diversity. Our marketing plan reflects that value by respecting and supporting the cultural and traditional needs of our customers. The future product availability peaks will be timed to coincide with significant Muslim and Jewish religious holidays such as the end of Ramadan (Eid) al Fitr, the Feast of the Sacrifice (Eid) al Adha, the Jewish New Year period and Passover when the demand and need for our product is the highest. A premium product will be offered during these important periods. In the start-up phase there will not be enough Wisconsin product to meet the demand for daily, year round purchases, nor will it be possible to compete head on with the artificially low import meat price. The focus will instead be on **fresh** certified meat for special occasions when there is **no** significant competition in the Minneapolis metro area.

The wide range of traditional needs and values requires the development of different strategies and tactics for the acceptance of our product in the market place. Alternative marketing strategies and tools would be essential such as: 1) "community-based" geared primarily towards the Orthodox and traditional halal consumers, and 2) "Internet-based" designed to reach the rapidly growing, wide range of other consumers that value certification. The product will be vacuum-wrapped cuts of meat. Vacuum-wrapped goods remain fresh for up to 28 days; it would be frozen as the product expiration approaches and sold as such. Slaughtering once or twice per month will allow us to provide fresh lamb and kid throughout the prime, fall to spring, season.

"Community-based" marketing is based on relationships. We are in the process of developing these relationships with the local and regional Muslim and Jewish communities. We believe that these relationships will result in the acceptance of our product within these local communities, based on the reputations of the principals, and will enable us to sell product through community channels such as synagogues, mosques, schools and word-of-mouth. The state of Minnesota has just approved a plan to provide extra funding to public, private or charter schools that have over

20% of students with religious-based diet requirements to make up for the increased cost of kosher and halal certified meals (St. Paul Pioneer Press, 4/14/2005). Each of these target markets offer opportunities for Wisconsin sheep and goat producers.

The benefits of a community-based approach are:

- Provide an alternative to the traditional distribution channels;
- Tight control over the size of the potential market, thus limiting risks of substantial shortages, particularly during the start-up period;
- Minimization of distribution costs by bulk shipment to the synagogue, mosque, schools or other institution that has promoted the product among its membership;
- Immediate and direct feedback about the market potential and market acceptance and;
- Minimizing marketing costs during the start-up period.

We believe the acceptance of product in a select number of communities will lead to its acceptance over time to an ever expanding culturally and economically diverse areas.

Concurrent with implementation of the “Community-based” marketing effort, we will develop specific web sites that will target consumers nationally. The web sites will be linked to an “All Natural and Humanely Raised” educational marketing site that will also link direct hits to the kosher and halal sites. We believe that Internet-based marketing will make the product and its special attributes visible to the non-kosher and halal communities and also become an efficient ordering system for the traditional customers once the product has been introduced and sampled. The web sites will be used to present the “local” aspects of the product to potential buyers such as the use of “estate labeling” which identifies the farm that grew the products.

Community-based marketing will create a sub-regional name and image of the small farm that appeals to an increasing number of potential customers. It will allow for symbols, stories and experiences that will lead people to buy the product and to enable them to develop a deeper relationship with the farm and to the values the enterprise stands for. Point of purchase materials will tell the story of the farms and product so that a face can be put on the product and a relationship between consumer and producer initiated.

Local Expansion Strategies:

- **Farm-gate sales:** farm recreation expanded in collaboration with other producers.
- **Bolen Vale Dairy and Cheese Store:** tourist attraction center and current hub of activities two miles from Shepherd Song Farm that provides corn maze, pony cart rides, picnic area and tours. The store is unique in providing local producer and artist’s products to the public and hosts an Autumn Festival. Cooler space is available for locally grown meat products. Brochures, business cards and samples can be displayed and distributed.
- **Lake Country Land School:** private Montessori academy with both city and country facilities. During the student’s country residency the youth experience Shepherd Song Farm activities and the school has purchased lamb meat for family style meals.
- **Lake Country Land School diverse family members:** expansion of this network through gift certificates, tours and brochures for ordering at farm-gate or online to family members and friends.
- **Public Schools:** tours of the farm in collaboration with Bolen Vale Cheese Store.
- **Barron Public School:** Barron, WI (within 30 miles) has a large community of Somali Muslim residents (20%) in comparison to the towns total population of 3,200 (US

Census, 2000). The Somali population is estimated at 500 (International Center, Barron, WI) with an additional 120 Somali refugees scheduled to be relocated from Africa shortly. We will evaluate providing interactive classroom presentations on goat and lamb meat to elementary classes and explore providing halal meat options for school lunches.

Farm-gate sales are important to the financial viability of our farm and is one of the fastest growing agriculture business models (along with farm recreation) in the 21st Century (SID, 2002). Our relationship with the families we serve is central to our life, production and marketing goals. The heart of our mission statement is to build relationships with diverse families through our products, sustainable farm environment and recreational/educational activities. This has resulted in 96% of our kids being sold live or custom slaughtered, directly to culturally diverse families.

We have connected with other producers in our community to increase opportunity and profit for all. The hub of this activity is two miles down the road at Bolen Vale Cheese Store, a working dairy that carries products from local producers. By collaborating together local producers are in the process of forming activities to attract the summer cabin residents, tourists. Each small farm and product is unique and adds exponentially to the value-added mix. Bolen Vale Cheese store picked up where a fifteen year-old community co-op grocery and an even older cooperative dairy left off. The Connorsville Co-op Grocery was located in the basement of the village town hall for fifteen years. With aging leadership of the co-op grocery, the store closed and moved a portion of its operation to the dairy co-op. As a result of concentration in the dairy industry, the small co-op was closed and the store with it. It is at this point that Bolen Vale opened with a vision of attracting local producers, consumers, educators, farmers, tourists and community leaders to be part of the effort to strengthen the rural economy. This environment supports creative growth within our community and is an ideal location to begin a complementary enterprise.

Lake Country Land School is a private Montessori academy with both city and country facilities. A group of 7th and 8th graders stay on the farm site for 6 week periods throughout the school year. Some of their community activities include time at Shepherd Song Farm to learn about raising sheep and goats. The parents of the students value natural and grass raised meats. The school has purchased lamb from Shepherd Song Farm for special meals. They have specifically requested humanely slaughtered halal or kosher meat. Direct marketing tactics and tools to increase sales to these families and their network of friends will be explored to take advantage of that value added concept.

Public schools are becoming more culturally and racially diverse even in rural areas. The city of Barron, WI has a concentrated population of strict Muslim Somali families due to local employment opportunities. There are a variety of cultural issues small rural schools are attempting to address. Some are easily resolved such as the food pyramid not showing rice as a food choice. Others are more complex. Children entitled to a lunch with their peers are choosing between eating non-halal meat or filling up on starches.

Some schools are experimenting with ethnic food choices. In Minnesota extra funding is provided to public, private or charter schools that have over 20% of students having religious-based diets. Al Amal School, a K-12 Islamic school in Fridley, MN "...must ship meats in from Canada because the number of meat suppliers selling meat prepared in accordance with Islamic

law is limited”, said Salah Ayari, vice-principal of the school (St. Paul Pioneer Press, 4/14/2005). This is a new and possibly lucrative market for medium sized producer collaboratives to target.

Regional Expansion Strategies:

- **Community leaders and advocates:** rabbi and imam community-based outreach to potential customers through reputation and innovative marketing tactics and tools
- **Invested customer base:** develop a culturally diverse customer group that is notified first of product availability and given priority on orders, and product samples for sharing with friends and family during holidays.
- **Local model of collaborating farms via an Internet site:** target specific national markets (i.e., San Francisco, New Jersey, Florida) where the rabbinical supervision is recognized for shipment of small farm, “All Natural”, fresh meat.
- **Structured word-of-mouth tools:** brochures, ordering post cards, samples, point-award system for bringing in the most new customers.
- **Gift boxes:** designed and marketed specifically for Ramadan and other traditional holidays where the giving of food is a strong tradition even among assimilated families.
- **The Bolen Vale storefront and tourist attraction:** expansion of Internet sales through direct product exposure.
- **Farmers Market:** Collaborate with USDA slaughter facility owner and also producer of bison at their Minneapolis Farmers Market stand.
- **Web site links:** with collaborating local producers of a variety of products.
- **Tourist centers:** provide brochures and tour information.

Community leaders will assist in the first sales. Free samples will be offered in exchange for the completion of evaluation forms. Collaborating customers will be notified first about future products with the goal of developing an invested customer base, brand loyalty and immediate consumer feedback. Marketing will include word-of-mouth strategies. Tools, such as brochures, ordering postcards, website cards and free samples, will be provided to empower and increase the social capital base of participating family and religious groups. This is important, as both target communities are, for marketing purposes “gated”. The ability to successfully enter is dependent on the reputation of the religious leader providing the certification, and the continued support and commitment of community leaders, advocates and families.

Samples of halal kid and lamb have been distributed to community food stores in the Minneapolis metro area. Sales at community stores, farmer markets, and natural food stores will be a small percentage of total sales, but will provide product and brand recognition, and connect the consumer to our website for higher margin sales. We have placed translated ads in community newspapers, bus stops and community centers. The response and interest has been high for the future product. This has provided many sales for live animals that will be directed towards halal slaughtered and processed meat under this proposal.

The web site marketing will include advertisements on those web sites geared towards the broader Jewish and Muslim communities. In addition to some commercial web sites, this includes web sites of Jewish and Muslim Community Centers, other secular Jewish and Muslim institutions as well as sites involved in sustainable agriculture such as the Institute for Agriculture and Trade Policy’s (IATP) www.wellguide.com that connects producers to consumers across the nation. Requests by consumers for information on kosher and halal

products have resulted in the addition of this information on a separate guide due the summer of 2005.

The Bolen Vale storefront and tourist attraction center has facilitated Internet sales for the collaborating producers. Shepherd Song Farm has benefited from the ability to have USDA inspected, vacuum wrapped lamb and kid available for sale at the store. Our label and brochures direct sales to our website. By linking to Bolen Vale's web pages sales will be generated between the two locations. As the other collaborating producers initiate web sales the links will increase the sales potential for all. Different strategies and tactics will be used to establish relationships with these consumers such as:

- Detailed information on the farms and business that explains the company's values and how it actualizes those values.
- Media sources such as magazines, newsletters, and local diverse community radio shows that will help the consumer find out about us from a neutral third party.
- Establish authenticity of products through explanation of our certification program and what that means for the consumer.
- Develop specific group of advocates, gate keepers and influential individuals that will include and expand the rabbi and imam networks.
- Invite and provide the tools for website browsers and farm visitors to send information to friends about our site, products and mission.

National Expansion Strategies:

- **Farm visits via the Internet:** products can be selected and ordered conveniently at home or at work, from any location in the country.
- **USDA inspection:** allows shipments across state lines and the nation.
- **Prompt delivery:** FedEx allows for overnight or second day delivery across the country.

Web based marketing has allowed even the small producer to compete in the national marketplace. Consumers can visit our farms virtually through the Internet. Products can be selected and ordered conveniently while at home or at place of work. Vacuum-sealed meat products can stay fresh, when refrigerated, for 20-30 days before needing to be frozen. USDA inspection will allow shipments across state lines and the nation.

VI. THE MARKETPLACE

The Kosher and Halal Marketplace: The consumers of kosher meats fall into 3 general categories. The first group are those who are strictly Orthodox and who look to their local Orthodox Rabbinate for guidance on the propriety of the kosher certification of any product, especially meat. The second group are those who, while not strictly observant, for religious or cultural reasons choose to buy kosher meat. Members of this group generally make their own decisions about the kosher propriety of any product and generally do not look to their religious leaders for significant input in this area. The third, and larger group, are non-Jewish consumers that purchase kosher products because of the perceived added-value of kosher certification.

The consumers of halal products have a similar range with the exception that kosher meat is accepted by many Muslims as halal, whereas, halal tends not to be acceptable as an alternative to

kosher for the Jewish consumer since the kosher process has handling requirements that are more complex. When halal meat is available it is the “preferred” choice by traditional Muslims. Due to the differing interpretation of Qur’an and the Sunnah there is also more personal initiative taken in determining what constitutes halal meat.

The Customer for Kosher: Families that keep kosher include 6 million Americans. Of these, approximately 1/3 are Jewish, the balance are Muslims and consumers choosing kosher for the perceived value of certification. Americans consciously choosing kosher spend over \$10 billion annually with a market size of 6 million people. Of that total amount, \$8 billion is being spent by individuals that are **not** purchasing the products for traditional religious reasons. We believe that the potential kosher market for our product, with adequate investment capital, is close to 500,000 people. If we assume a conservative per capita consumption of 2 pound, there is a market potential for 1,000,000 pounds, or approximately 16,600 head per year (assuming a blended 60 pound carcass).

Among the wide array of Jewish families who do not purchase kosher products on a regular basis, consumption of kosher foods is driven by religious holidays such as Passover, Rosh Hashanah and Yom Kippur and special occasions such as bar and bat mitzvahs and weddings. Therefore overall consumption of kosher product is at a peak during holidays (Faye Clark Marketing & Communication Inc., 2002).

The Customer for Halal: 40% of all immigrants to MN arrive as refugees, almost 3X the national average. MN is home to the largest population of Somali in the US (Pioneer Press 2/11/2000). The U.S. Muslim population is estimated at 8-10 million and is projected to double in the next decade (Grondahl, 2001). The number of U.S. Muslims is growing three times faster than most other minorities (Berry, 2000). The number of Somali Muslims in the Minneapolis metro area is estimated at 60,000. This metro area also has a significant number of Middle East new-Americans. Nationally, about 77 percent of the U.S. Muslims are immigrants and 22.4 percent are U.S. born. (Zogby International, 2000). The same survey shows the ethnic origins of the Muslim community as:

Region of Origin	Percentage
Middle East	26.2
South Asia	24.7
African American	23.8
Other	11.6
Middle East (Non Arab)	10.3
East Asia	6.4

(Zogby International, 2000)

In addition there is an increasing trend in the number of overseas students, tourists and other short-term visitors from Muslim countries. Approximately 32% of American Muslims live on the East Coast, 25% live in the South, 24% in the Central and Great Lakes Region, and 18 % in the West. Islam is the fastest growing religion in the world (Zogby International, 2000).

- In 2004 Australia and New Zealand exported to the U.S. 19 million pounds of halal goat valued at \$28.5 million (a 13% increase from 2003), **profiting from our lack of domestic supply (USDA).**

- During the same period imports of lamb was 150 million pounds or a minimum of 2,500,000 lambs assuming a 60 pound carcass.

Customer Choosing Certification as a Value: The “Cultural Creatives” is a term used by the authors of a book by the same title that identifies three distinct groups within American society, based on some 100,000 responses to surveys concerning basic values and lifestyles, focus groups and personal interviews. This group makes up between one-quarter and one-third of the American adult population and is distinguished from the other two groups (modern, traditional) by their strong belief in the value of personal relationships within families, communities and society as a whole, and by their concern for the integrity and sustainability of the natural environment. They are found in association with various movements including alternative meats, “all natural”, humanely raised, organic, grass fed and sustainable agriculture.

The *Hartman Report*, another comprehensive survey of U.S. households, identifies two groups, the “true naturals” and “new green mainstream,” which make up about 28% of the population as prime markets for sustainably produced foods. The Hartman groups are similar to the “Cultural Creatives” group. The issues of corporate consolidation of the food system, confinement animal feeding operations, biotechnology and other more general food safety, health, and nutrition issues have all helped to strengthen the movement towards an “all natural, humanely raised” food alternative. As the availability of alternatives to industrial, mass-produced foods become more common, awareness and demand for something fundamentally different and better will continue to grow. The “Cultural Creatives,” “true naturals,” and the “new green mainstream” did not exist forty years ago—today they may account for a third or more of the adult population, and they are stilling growing. Members of the new food culture do not trust the current food system. They are concerned about food safety, nutrition and are dissatisfied with the taste and flavor of industrial food products. These families are concerned about where their food comes from and how it is produced. They pay premium prices for organic products and for meat from animals raised under humane conditions, without chemicals, without hormones or antibiotics.

Some of the reasons consumers without religious requirements purchase certified foods include:

- Quality, taste, packaging
- Concerns about harmful chemical residues in food
- Concerns about hormones, antibiotics and BSE in food
- Desire to support certain forms of agriculture
- Concerns about animal welfare
- Socially and environmentally sustainable values

Today’s consumers are demanding fresh, authentic quality menu items and they want to be able to enjoy them at traditional and non-traditional meal times.

The Potential Number of Customers: The potential number of customers estimated by Bob Bossany, Certified Economic Development Specialist, is estimated at 30,000 to 50,000 by year 5. “I think these projections are realistic, achievable, and probable” (Email communication: Bossany, 5/2/05). These figures are based on:

- 10,000 Muslim families making one 20 pound purchases per year. This estimate is projected from the average family purchase of 20-30 pounds per week or 1000 pounds per year (Somali survey, 2004),

- 10,000 Orthodox Jewish families. This estimate is projected from 1 family purchase of a 8 pound package of assorted cuts, and
- 10,000 families choosing certified products. This estimate is projected from a family purchase of 1 leg of lamb or an equivalent package of assorted cuts equaling 8 pounds.

This will require 3,500 head per year for the halal market; 1,300 head per year for the kosher market, and 1,300 head per year for the “all natural, humanely raised and handled” market for a total of 6,000 animals or 360,000 pounds of meat (assuming a blended average 60 pound carcass). This is in line with the Dakota Lamb Growers Cooperative’s successful production, of conventionally processed and marketed naturally grown lamb. In five years Dakota Lamb (founded in 1999) reached a volume of over 8,000 lambs per year marketed to East Coast cities with a ten-year goal of reaching 25,000 lambs per year (AURI, 2004).

Introducing the un-served and underserved consumer to a product that they already value, desire and seek will increase the number of end-users of our product from near zero to 30,000 to 50,000 in five years. The limitation will be in the ability of regional sheep and goat producers to ramp up and to provide a consistent, quality product.

The lamb and kid markets are changing along with the face of America. In the last few years goats have gone from a nuisance product at the Midwest auctions to a hot item. The desired lamb is shifting from a heavy (140 pound) lamb to a light (60-80 pound) lamb. The ethnic market is huge, growing rapidly and is largely ignored by the traditional market channels. Janet McNally, Tamarack Farm, MN, a nationally known sheep industry researcher and producer comments:

“What I find interesting is that the 80-90 lb lamb market is an index for the number of immigrants from lamb eating countries. If the number of immigrants is so large as to influence the market then that must mean a pretty substantial number of people! Five years ago it made only a small seasonal impact, but today the impact is actually taking over control of the lighter lamb market. I find the cultural implications to that rather interesting...the indicators that I have seen have been two factors. One is comments within the lamb feeding industry that it has been tough to compete with the ethnic slaughter demand for feeder lambs. The other is reading reports on auctions, where you see two very diverse prices being paid for 40-90 pound lambs. One price for lambs going to feed lots, the other for ethnic markets.” (Email communication: McNally, 3/30/05)

The face of America is changing. Providing traditional foods for economically and culturally diverse families and children will become more important over the next decade. These individuals and families are purchasing something more than food—a memory of their heritage while strengthening family bonds. Taste and smell transports us back to “home” faster than any of the other senses. Holidays and special events such as weddings, births and other celebrations require traditional foods even for nontraditional families. Both the Muslim and Orthodox Jewish religions are growing within the U.S. and worldwide as people place more value on their heritage and seek for meaning in their life. The Somali survey (2004) found, in contrast to expectations, that the longer the new-American is here, the more goat meat he or she consumes. Assimilation to new foods is not the pattern. The survey showed that beef and chicken were not valued as a meat product. This is producing a heavy demand on sheep and goat meat that the market and industry is just beginning to recognize.

“Getting people to work together on such a project, and to eat together with food acceptable to all represents a potential for creating a better society and a strong family/social infrastructure both for the local farm families and the diverse consumers buying these products” (Support Letter: Dr. Regenstein, 2/19/05).

VII. PROFIT ANALYSIS

Costs and Availability of Inputs: The main value-added input consists of additional labor in the form of traditional slaughter, kosher processing, and rabbinical supervision. Labor requirements consist of skilled and specially trained slaughter and processing employees, and the rabbi and imam supervision. There is no published data on these requirements. The costs of processing the commodity and the value-added is estimated for the chart below from the Agricultural Utilization Research Institute (AURI) report “*Alternative Livestock Species*” (2002) and USDA price reports:

Net Profit Comparisons					
	Commodity Auction	Conventional Direct Market	All Natural	Halal Value-added	Kosher Value-added
Lamb	52.50	62.50	134.50	216.50	260.50
Kid	30.00	44.00	68.00	126.00	134.00

(Source: AURI, USDA Price Reports)

- Base on a 120 pound lamb: 80 pound kid: assuming 60% yield (72 lb lamb: 48 lb kid).
- The values assume a lambing/kidding rate of 1.5 resulting in 750 marketable lambs/kids annually. Two thirds (500) are assumed to be marketed towards the all natural, halal and kosher markets. The balance one third (250) are assumed to be kept as replacement ewe lambs or marketed as a lower quality commodity auction lambs/kids.

Net Profit Generated: A flock size of 500 sheep or goats (equivalent to 100 head of beef on pasture) is a reasonable size for an individual producer operating on 100 acres of managed pasture or a larger area of marginal under-utilized land. For the individual producer, selling to the certified market as described in this proposal will make the difference between poverty and solidly middle class income. The chart below details this increased revenue. The individual producers in this proposal and additional Wisconsin producers using this model or joining the founding producers in a yet to be determined enterprise would have a means for a sustainable and viable enterprise.

Net Profit Generated From Marketing 500 Lambs and/or Kids					
Lamb or Kid	Commodity Auction	Conventional Direct Market	All Natural	Halal Value-added	Kosher Value-added
L 500	26,250	31,250	67,250	108,250	130,250
K 500	15,000	22,000	34,000	63,000	67,000

(Source: AURI, 2002; USDA Price Reports)

- Base on a 120 pound lamb: 80 pound kid: assuming 60% yield (72 lb lamb: 48 lb kid).
- The values assume a lambing/kidding rate of 1.5 resulting in 750 marketable lambs/kids annually. Two thirds (500) are assumed to be marketed towards the all natural, halal and kosher markets. The balance one third (250) are assumed to be kept as replacement ewe lambs or marketed as a lower quality commodity auction lambs/kids.

There is a significant enhancement of value by processing lamb and kid when compared to lamb and kid sold live as a commodity. The above chart shows 4 to 5 times as much net profit from the halal and kosher product over lamb or kid marketed live as a commodity. This is a huge increase in net profit for the producer and will make the difference between self-sufficiency on a small family farm and poverty.

VIII. QUALIFICATIONS OF PARTICIPANTS

Joe Regenstein, PhD., Consultant: Professor of Food Science at Cornell University and a Visiting Professor of Food Science at the University of WI in Madison. He is the head of the Cornell Kosher Food Initiative and a technical advisor to the Islamic Food and Nutrition Council of America (the largest Muslim certification agency in North America). A columnist for **Kashrus Magazine**, he writes and speaks extensively on kosher, halal, ethnic foods and animal welfare issues. He has worked with Dr. Grandin on the design of the humane upright slaughter stanchion shown on Cornell's sheep and goat website and has a special interest in working with farmers on humane and sustainable agriculture projects. Some of Dr Regenstein's areas of expertise and experience include:

- Only non-Muslim member of IFANCA'S (the Islamic Food and Nutrition Council of America) Technical Committee
- Participant in Cornell's Northeast sheep and goat marketing project and web site
- Member of the Food Marketing Institute/National Council of Chain Restaurants (FMI/NCCR) Animal Welfare Committee
- Member of the Humane Farm Animal Care (HFAC) Technical Committee
- Member of the New York State Small Processors Association
- Teaching courses on Kosher and Halal Food Regulations, Food Law, Food Waste Management and Environmental Stewardship
- Co-Creator of Cornell's Multi-Cultural Kosher Dining Program
- Tasked by the Chancellor of UW-Madison to do a feasibility study for Kosher and Halal foodservice on the Madison campus

He is currently working with Shepherd Song Farm, funded by the Evjue Foundation (Madison's morning newspaper's foundation) to provide technical support and training for the producers and the collaborating Muslim and Jewish exploratory group. He has experience and a special interest in working with producers direct marketing lambs and kids as demonstrated in his involvement in Cornell's Northeast sheep and goat marketing project and website:

<http://sheepgoatmarketing.info/> . This project resulted in a model approach successfully organizing producers in the Northeast states.

Janet McNally: Producer. Her previous work experience includes directing and teaching the Lamb and Wool program at Pine City Technical College, Pine City, Minnesota for 14 years and Farm Management for 2 years. She provided nutrition management consultation for sheep and

dairy producers for 5 years. She is a lamb and beef producer in Hinckley, MN utilizing a pasture-based system that includes pasture lambing and winter grazing and has genetically bred a highly prolific B gene sheep called the Tamarack Prolific with 25 years of objective performance records. She is a founding member of Prairie Lamb Cooperative. Presently Janet provides services as a consultant to producers and also as a speaker in the US and Canada on pasture related sheep management topics. McNally has the combination of education and experience to provide assistance and guidance in the development of standards and controls.

Rabbi Chaim Goldberger: Director and Authorizing Rabbi of the Twin Cities Community Kashruth Council. This is the only community body certifying kosher foods in the State of Minnesota. Rabbi Goldberger received semicha from Yeshivas Ner Yisrael. Rabbi Goldberger will provide primary supervision of the process.

“I am excited to have the opportunity to work hand in hand with Muslim religious leaders in addressing the need of the Somali families that have long valued goat and sheep as their meat of choice. Both of our traditions value humane and low stress slaughter procedures that tend to be neglected in today’s era of mass processing. Working together also has symbolic overtones that go beyond mutual economic benefit for both communities.” (Support Letter: Rabbi Goldberger, 3/7/05).

Rabbi Adam Charney: He has been a participant in several start-up ventures and has been Chief Financial Officer of companies in industries as varied as health care, construction and apparel. His 20 year background includes operational consulting, financial modeling and information system design. He attended New York University and graduated with a B.S. in Accounting in 1984. He was licensed as a Certified Public Accountant in New York in 1986. His license is currently inactive. He received rabbinic ordination in 2002 from Rabbi Y. Rosenthal, Chief of the Rabbinic Court of the City of Haifa, Israel. He will provide supervision of the kosher process, meat processing and labeling along with Rabbi Goldberger.

Abdi Abdilahi: He is a parent from Somalia and works with Somalian families as a disability and community advocate for a nonprofit agency. He has translated brochures, books and articles. He is a former owner of a community meat market with a partner in Texas. He has the community respect and network required to enter the Minneapolis metro area Somali market.

“More Somali families are moving into the Minneapolis metro area every day from other parts of the country. This is the center of the Somali U.S. population with easily 60,000 refugees...Goat and lamb are our preferred meats...The available selection in the metro area is limited to imported halal products from New Zealand and Australia. This meat tastes very old and has made many families feel sick after eating...” (Support Letter: Abdi Abdilahi, 3/5/05).

IX. LOCAL SUPPORT

Producers: Our producer survey (February 5, 2005) results showed that there is a strong interest in working together to direct market lambs and kids. Of the estimated 120 adult attendees 67 responses were received. The producers were asked if they were interested in shared efforts to increase direct marketing opportunities. 81% (54) of the producers reported “yes”. When asked if they would provide live lambs and kids to a marketing pool collection site 87% (58) of the

producers reported “yes”. The names and contact information of 52 producers interested in meeting in a group and pursuing options were obtained. If 50% of these producers committed to the organization 25 additional Wisconsin families would benefit from this proposal. Organizing producers to pool market animals and to direct market in volume keeps profit locally.

The largest challenge for sheep and goat producers in accessing the Midwest market is working together for their mutual benefit. Most individual producers are not capable of providing the volume of uniform, high quality lamb and kids needed to supply even a fraction of the need. Only by planning production together and by pooling lambs and kids for slaughter and marketing can Wisconsin producers access and benefit from this opportunity. Regardless of whether the producers form a cooperative or some other business organization, they must see the wisdom of benefiting collectively as a necessary means of benefiting individually. The only thing that can hold true cooperative ventures together over time are the personal commitments of the members to each other for their long run, economic well-being.

“Goats complement our beef herd, allow for more heads per acre and help control parasites load. We can winter both beef and goats on low protein, high fiber hay that is easy to come by in comparison to quality dairy hay....We are very excited about collaborating with other producers to provide quality animals for this project and market. With my husband, I owned and operated a state inspected meat slaughter and processing in Montana for 10 years. His parents have been in the meat industry all of their lives. We understand both the producer and the processor’s issues.”

(Support letter: Producer Tammy Brackee, Polk County WI, 4/28/05)

Processor: A small trial of 6 animals has been done at a USDA inspected slaughter and processing facility, owned by Steve Fischer. Fischer has donated his time, space, material and locked storage space for kosher and halal specific materials and tool for this preliminary trial. He has received religious exemption for his plant and the USDA inspector, Darrell Jacobsmil, has approved our plans. An on site meeting with the rabbi and imam supervisors, and shochet have taken place and issues resolved. Fischer has a long history of meat processing going back to his grandparents in Belgium. He is interested in serving culturally diverse families and is currently processing USDA inspected meat products for the Hmong community. Fischer is willing to continue this support of time and resources for this project.

“As the new owner of a USDA licensed slaughter and processing facility I am very interested in becoming part of this group as they seek new strategies of marketing into religiously and economically diverse cultures. I have participated in a number of their meetings, hosted at my facility, regarding kosher slaughter and processing needs. In one meeting there were five rabbis, including the senior rabbi from Kansas City who attended to provide his approval. As a group we were able to brainstorm solutions to all of the kosher requirements from humane upright slaughter to the salt treatments. We have come to agreement on the process flow and identity preservation needs of combining halal and kosher slaughter.” (Support Letter, 3/8/05: Steve Fischer, Owner USDA slaughter and processing plant, Pure Meats, Linstrom, MN).

End Users: We are in the process of defining a contract with the kosher community through Abraham Sclar (commitment letter on file) for the sale of lamb and kid under the rabbinical supervision of Rabbi Goldberger (see commitment letter). The following is quoted from Rabbi

Goldberger, Director and Authorizing Rabbi of the Twin Cities Community Kashruth Council. This is the only community body certifying kosher foods in the State of Minnesota.

“I have long been aware of the strong need we have in the kosher-consuming community for a greater array of product options. A niche market like ours ought to provide a unique and valuable opportunity for value-added producers able to serve our needs with the flexibility and responsiveness our particularities require.” (Support Letter: Rabbi Goldberger, 3/7/05).

Members of the Minneapolis, MN and Barron, WI Somali Muslim community have tested our product and are providing support in the form of sampling feedback, community guidance and market entry (Support letters on file).

“As president of the Wisconsin Somali Community Corporation and coordinator of the International Center in Barron, Wisconsin, I have first hand knowledge of the needs and challenges of the Somali people. One of our important needs is locally grown halal meat....the Somali Community Corporation would be very willing to advise the farm operators on procedures and sales opportunities.” (Support letter: Nasra Xashi, WI Somali Community Corporation International Center, 4/26/05)

The following is quoted from a Somali community meat market that sells approximately 20 imported goat and lamb carcasses per month:

“Our customers prefer fresh, young goat and lamb. Due to this lack of supply of fresh meat, I would be very willing to work with this project as they look for economically and culturally sensitive methods to make locally grown goat and lamb available to our families” (Support Letter: Yusef of Pillsbury Market, 3/8/05).

Specialty restaurants and tourists centers have also expressed interest. The following quote is from a high-end restaurant that uses local and regional ingredients and tourist store that makes its own cheese and raises and direct markets bison.

“We are an upscale retail and restaurant establishment and have customers repeatedly requesting kosher meats...We are certain we will have potential sales for this product.” (Support letter: Eichten’s Bistro and Market (4/26/05).

The farm manager of Lake Country Land school comments:

“We have sampled Shepherd Song Farms lamb and found it delicious as did our students. We will provide product feedback during the development phase for the potential purchase of USDA inspected product when available. We especially appreciate the fact that it is slaughtered humanely, by hand and that the lambs are raised on pasture.” (Support letter: Andy Gaertner, Manager 4/30/05)

Community and Industry Support

Organization	Signature	Date	Description of Support
Dunn County Economic Development Corporation	Jim Hathaway	4/25/05	Strong support of project and will assist in whatever way they can.
Barron County Economic Development Corporation	Dave Miller	4/25/05	Sees timing of project could not be better to provide an opportunity not currently available.

Workforce Resource Center for Western WI	Richard Best	4/29/05	Willingness to work with you and the Somali community.
WI State Representative 67 th Assembly District	Jeff Wood	4/28/05	State regulations and agriculture advocate.
University WI-Extension, Sheep Specialist	Dr. David Thomas	4/22/05	Recommendations for the proper production of lambs and kids
Cornell University, Ithaca, N.Y.	Dr Joe Regenstein	2/19/05	Consultation on halal-kosher marketing and certification
Sheep Specialist, UW-River Falls, Retired	Rudy Erickson	4/25/05	Will provide producer support and developing quality control.
Institute of Agriculture Trade Policy	Dale Wiehoff	4/25/05	Producer organization support and guidance.
Pure Nature Meats	Steve Fischer	3/8/05	Will provide USDA facility and processing support.
WI Somali Community Corp International Center. Barron, WI	Nasca Yashi	4/26/05	Willing to advise on procedures and sales opportunities.
Somali Community Advocate Barron, WI	Ali Hassan	3/19/05	Will provide community entry to the Barron, WI Somali families.
West Cap, Glenwood City, WI Community Action Agency	Tom Quinn	5/2/05	Will provide community organization experience.
Orthodox Jewish Kosher Supervision	Rabbi Goldberger	3/7/05	Will provide kosher supervision and community entry.
Turkish Muslim Advocate St. Paul, MN	Figen Haugen	5/2/05	Will provide community entry support, translation.
Somali Community Advocate Minneapolis, MN	Abdi Abdilahi	3/5/05	Will provide community entry support, translation.
Lake Country Land School Glenwood City, WI	Andrew Gaertner	4/30/05	Will sample and provide feedback for school purchase.
Bolen Vale Cheese Store Downing, WI	Renee Bartz	4/28/05	Will test market product in farm store
Eichten's Bistro and Market, Chef Center City, MN	Michael Selby	4/26/05	Will test market kosher "all natural" lamb in store and in restaurant.
Pillsbury Market, MPLS, MN	Yusef	3/8/05	Will sample and carry in store.
Orthodox Jewish Community Marketing	Abraham Sclar	5/2/05	Will sample and test market in the kosher community.

CHARTS

Chart 1:

Lamb and Kid Retail Prices					
Cut	Grocery Lamb	Internet Natural Lamb	Internet Natural Kid	Halal Lamb	Kosher Lamb
Chops	3.89	11.49	9.49	6.99	10.99- 19.98
Shoulder	1.60	NA	7.79	4.30	6.99- 10.98
Neck	1.43	3.49	3.49	2.50	4.50- 6.98
Shanks	2.72	7.59	7.79	2.75	3.50- 8.98
Leg	4.49	9.49	8.49	5.50	NA
Loin	2.79	11.49	9.49	6.99	NA

(Source USDA, Internet.)

Note: There is insufficient information to determine the value of grocery or kosher kid.
 There is no source of “all natural” kosher lamb or kid reported.
 The variance in the kosher lamb price is between Glatt and non-Glatt lamb. Glatt is priced significantly higher.

Chart 2:

Commodity Auction Model Projected Income and Expense						
Species	Commodity value of meat (\$/lb) ¹	Total Market Value ²	Conventional processing at volume rate ³	Cost of production / overhead ⁴	Total expenses + overhead	Net profit
Lamb	.95--1.20	120	N/A	67.50	67.50	52.50
Kid	.70--1.30	80	N/A	50.00	50.00	30.00

1. Range due to religious holiday peaks (Ramadan, Easter, Passover). Source South St. Paul and Sioux Falls Livestock Market Reports 2004-2005.
2. Base on a 120 pound lamb: 80 pound kid: assuming average \$1/lb commodity price
3. N. A.
4. Taken from AURI table 14.3.1. Alternative Livestock Report (2002)

Chart 3:

Conventional Direct Marketing Model Projected Income and Expense						
Species	Carcass value of meat ¹	Total Market Value ²	Conventional processing at volume rate ³	Cost of production / overhead ⁴	Total expenses + overhead	Net profit
Lamb	2.50 /lb	180	50	67.50	117.50	62.50
Kid	3.00 /lb	144	50	50.00	100.00	44.00

1. Based on USDA carcass value for direct marketing published in Price Reports, Sheep magazine (March, 2005).
2. Base on a 120 pound lamb: 80 pound kid: assuming 60% yield (72 lb lamb; 48 lb kid).
3. Minimum of 25 head: Pure and Natural Meats, USDA meat slaughter and processing facility, Lindstrom, MN.
4. Taken from AURI table 14.3.1. Alternative Livestock Report (2002)

Chart 4:

All Natural Model Projected Income and Expense						
Species	Blended value of meat ¹	Total market value ²	Conventional processing at volume rate ³	Cost of production / overhead ⁴	Total expenses + overhead	Net profit
Lamb	3.50 /lb	252	50	67.50	117.50	134.50
Kid	3.50 /lb	168	50	50.00	100.00	68.00

1. Based on Internet data.
2. Base on a 120 pound lamb: 80 pound kid: assuming 60% yield (72 lb lamb; 48 lb kid).
3. Minimum of 25 head: Pure and Natural Meats, USDA meat slaughter and processing facility, Lindstrom, MN.
4. Taken from AURI table 14.3.1. Alternative Livestock Report (2002)

Chart 5:

Halal Model

Projected Income and Expense						
Species	Blended value of meat ¹	Total Market Value ²	Traditional processing at volume rate ³	Cost of production / overhead ⁴	Total expenses + overhead	Net profit
Lamb	4.50 /lb	324	40	67.50	107.50	216.50
Kid	4.50 /lb	216	40	50.00	90.00	126.00

1. Based on Price Reports, Sheep Magazine (March 24, 2005) and input from Somali Muslim advisory group.
2. Base on a 120 pound lamb: 80 pound kid: assuming 60% yield (72 lb lamb; 48 lb kid).
3. Minimum of 25 head: Pure and Natural Meats, USDA meat slaughter and processing facility, Lindstrom, MN. Less processing is required: \$30 additional plus \$10 for Imam at slaughter.
4. Taken from AURI table 14.3.1. Alternative Livestock Report (2002)

Chart 6:

Kosher Model Projected Income and Expense								
Spec	Kosher blended value meat ¹	Market value front kosher ²	Market value hind halal ³	Total market value	Traditional processing at volume rate ⁴	Cost of product/ overhead ⁵	Total expense +overhead	Net profit
Lamb	7.50	255	153	408	80	67.50	147.50	260.50
Kid	7.50	165	99	264	80	50.00	130.00	134.00

1. A conservative estimate is being used.
2. Base on a 120 pound lamb: 80 pound kid: assuming 60% yield (72 lb lamb; 48 lb kid). Front quarters only, 45% of carcass weight (34 lb lamb; 22 lb kid).
3. Based on hindquarters marketed halal at 45% of carcass weight (34 lb lamb; 22 lb kid).
4. Minimum of 25 head: Pure and Natural Meats, USDA meat slaughter and processing facility, Lindstrom, MN. Additional \$10 for Shochet slaughter. Additional \$20 for kosher processing.
5. Taken from AURI table 14.3.1. Alternative Livestock Report (2002)

Chart 7:

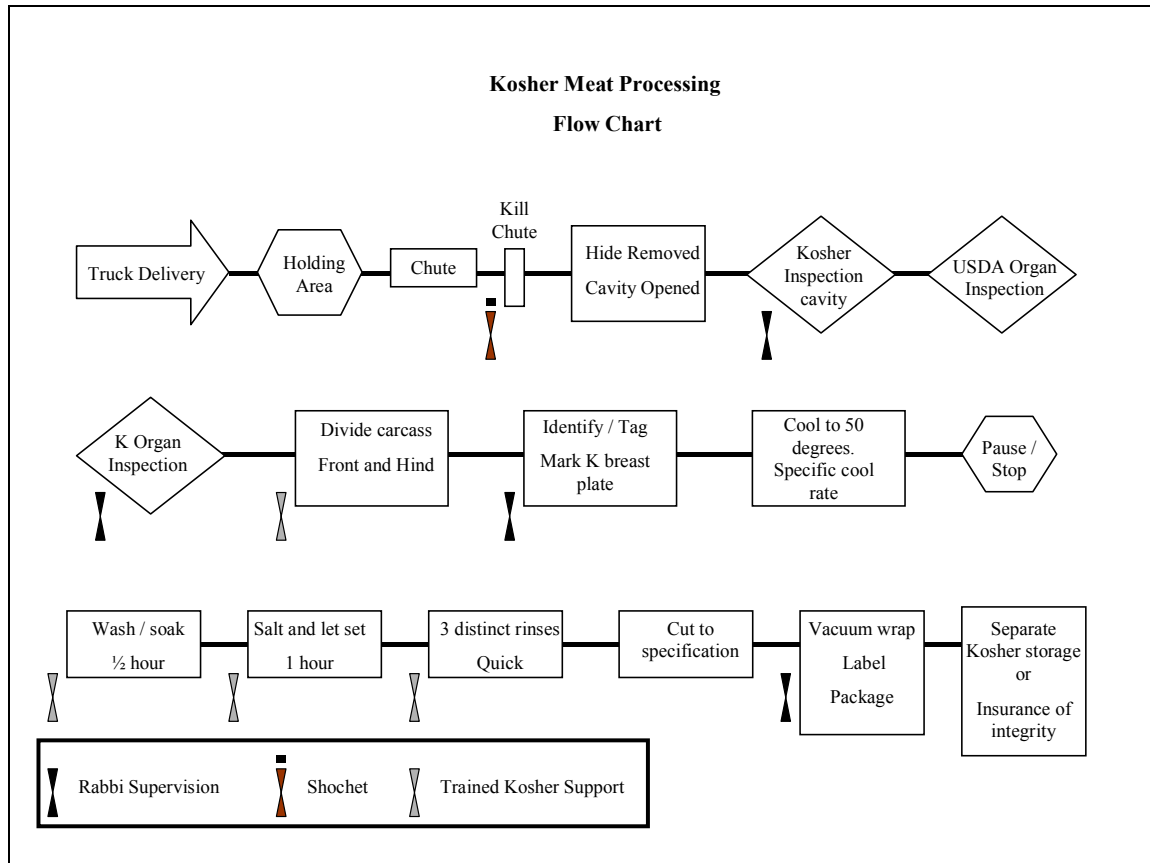


Chart 8:

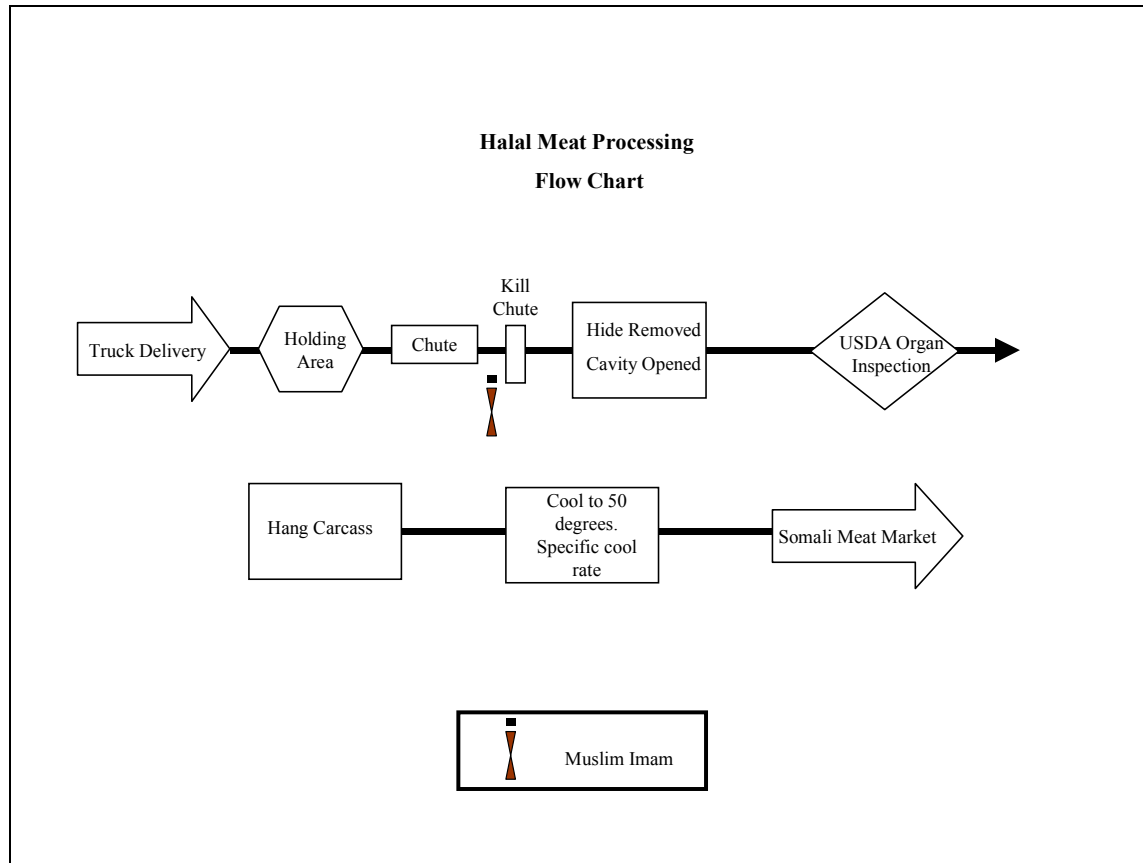
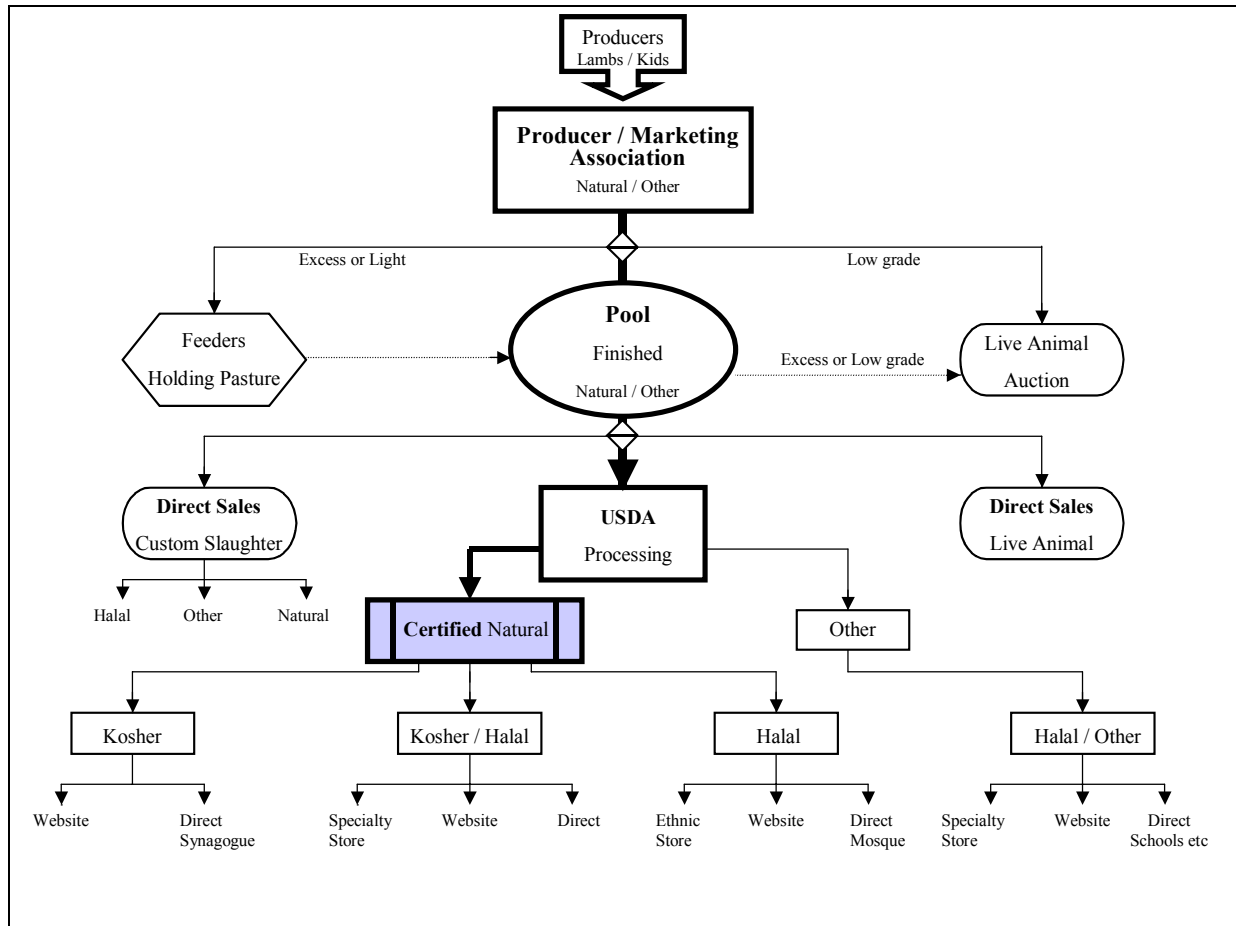


Chart 9:





Comparing Rural and Urban Somali Goat Meat Preferences

July 2005

David Trechter
Denise Parks

Survey Research Center Report 2005/8
July 2005

Draft
July 12

Students working for the Survey Research Center were instrumental in the completion of this study. Danielle Rogers, Ashley Frye, Lindsey Thompson, Kristi Sirinek, Nathan Wilber, Corrie Ford, Bethany Barnett, Rachel Ehlert, and Adrienne Adolpson handled the data entry, and data verification. Danielle Rogers and Corrie Ford calculated the initial descriptive statistics for this study. Danielle, Kristi, and Lindsey proofread earlier drafts of the study. Their hard work and dedication are gratefully acknowledged.

Executive Summary

In October 2004, 137 Somali residents of the Minneapolis-St. Paul metropolitan area were interviewed regarding their goat meat consumption preferences. In February and March of 2005, 121 Somalis living in the small rural Wisconsin town of Barron were surveyed using a virtually identical survey instrument. This paper summarizes the differences between these two groups of consumers.

Some of the more important findings of this survey are:

- Demographically, the two populations are quite distinct. Somali families in the Twin Cities tend to be larger, somewhat younger, and have more children compared to those in Barron. Somalis living in Barron tend to have arrived in the U.S. more recently, have substantially lower levels of education, rent rather than own their accommodations, and have lower incomes. Both groups are hard working; unemployment is a non-issue in this population
- In Barron, there are relatively few children in Somali households while most urban households include children
- Women are the predominant purchasers of goat meat in the Twin Cities metro area but this task is gender neutral in Barron County
- Barron County Somalis eat roughly equal amounts of goat meat throughout the year while those living in the cities consume significantly greater quantities in the fall, winter, and spring compared to summer consumption
- Urban Somalis seem to prefer goat and beef but those in Barron eat mainly goat and chicken.
- Barron County Somali residents report a significantly stronger preference for purchasing live goats than do those in the Twin Cities.
- Barriers to goat meat purchases in the Minneapolis-St. Paul area are mainly lack of availability and lack of information. In Barron, Wisconsin there are similar concerns about availability but price and quality are also seen as significant barriers to buying goat meat.
- Both rural and urban Somali populations expressed a strong preference for goat meat over beef, chicken and lamb and would prefer fresh to frozen meat. Urban Somalis are also concerned about Halal certification. In contrast, rural Somalis are significantly more concerned about being able to buy live animals.

For more information contact:

Larry Jacoby, lwjacoby@direcway.com
Judy Moses, jmoses@pacer.org
Abdi Abdilahi, aabdilahi@pacer.org

This survey was funded by Wisconsin Department of Agriculture, Trade and Consumer Protection whose support is gratefully acknowledged. The survey was input and analyzed by the Survey Research Center at the University of Wisconsin at River Falls.

Demographic Profile of Respondents

During October 2004, two Somali-born enumerators interviewed 137 people of Somali heritage residing in the Minneapolis-St. Paul metropolitan area. In February and March, 121 Somalis living in Barron, Wisconsin were interviewed using virtually the same questionnaire (a handful of additional questions were posed to the Barron group). Essentially, half of the respondents were male (125) and half were female (127) – data on gender are missing for 6 respondents.

The State Demographic Center estimates that there are 25,000 Somalis in Minnesota and there are an estimated 500 Somalis living in Barron.¹ Assuming these population figures are correct:

- the 137 observations in the Twin Cities means that we can be 95 percent certain that the estimated values in this report are within plus or minus 8.5 percent of the true values for this population.
- The 121 observations in Barron means that we can be 95 percent certain that the estimated values in this report are within 8.8 percent of the true values for this population

Table 1 summarizes the demographic profile of respondents and indicates that the two groups of Somalis are very different. Somalis living in rural Wisconsin are older than those in the Twin Cities, though both groups are somewhat younger than the native-borne populations in these areas. It is also striking that the vast majority of Somalis living in Barron arrived in the U.S. during the past 5 years. Somalis living in the Twin Cities, in contrast, tend to have lived in this country for more than 5 years; more than a quarter have been here for at least a decade. Finally, the structure of families in the two areas is radically different. In the metropolitan area, families are much larger, averaging 5.55 people compared to 3.95 in Barron. Metro families also have more children (3.1 per family) than do those in Barron (0.7 per family).

Both populations are extraordinarily hard working; none of the 257 households for which we have data reported any adults as unemployed. Somalis living in the Twin Cities are much more likely to be self-employed than are those in Barron. Many households, particularly in the metro area, have multiple workers per family. On average, for the combined sample populations, there are 1.6 workers per household. Somali families in the Twin Cities have an average of 2.1 workers per household and in Barron the average is 1.0 worker per household.

Somali residents of Barron have much lower levels of education (both respondent and spouse) than their city counterparts. As Table 1 shows, virtually none of those living in Barron have attended school beyond high school, whereas nearly 40 percent of those in the Twin Cities have at least some college courses.

The lower levels of education probably contribute to two other key features of Table 1: housing options and income levels. With respect to housing, everyone in the Barron sample rents their accommodations, while 30 percent of those in the metropolitan area own their home. One-quarter of the population in Barron reported incomes of less than \$25,000 per year compared to only 7 percent in the Twin Cities.

¹ Page 6, “Estimates of Selected Immigrant Populations in Minnesota: 2004, MN State Demographic Center, June 2004, OSD-04-112.

Table 1: Demographic Profile of Respondents

	Observations	Under 18	18-24	25 - 34	35 - 44	45 - 54	55 - 64	65+
Age, Urban	134	0%	7%	59%	24%	10%	1%	0%
Age, Rural	118	1%	4%	46%	15%	26%	8%	0%
	Observations	Under 1 year	1 - 5 years	6 - 10 years	11 - 15 years	15+ years		
Time in U.S. Urban	136	0%	22%	50%	18%	10%		
Time in U.S., Rural	121	6%	79%	16%	0%	0%		
	Observations	Self- employed	Employed	Un- employed	Retired			
Employment Status of Adults, Urban	136	8%	100%	0%	0%			
Employment Status of Adults, Rural	121	0%	94%	0%	2%			
	Observations	Rent	Own					
Housing, Urban	115	70%	30%					
Housing, Rural	118	100%	0%					
	Observations	Less High School	High School	Some College	College	Grad School		
Education (self), Urban	134	1%	60%	10%	16%	13%		
Education (self), Rural	119	57%	42%	0%	0%	1%		
Education (spouse), Urban	135	1%	53%	16%	18%	13%		
Education (spouse), Rural	94	64%	34%	1%	1%	0%		
	Observations	Under \$15,000	\$15 - \$24,999	\$25 - \$49,999	\$50 - \$74,999	\$75,000 +		
Household income, Urban	135	0%	7%	60%	33%	0%		
Household income, Rural	121	4%	21%	62%	11%	2%		

All of the differences noted are significant at the 1 percent level (there is less than a 1 in 100 chance that the observed differences are due to quirks in the sample. As we will see, these demographic differences translate into marked differences with respect to demand for goat meat.

B. Somali family goat eating patterns

The first set of questions asked about the number of people (adults and children) who typically eat with the respondent on most days. As Table 2 indicates, the tables in the urban households are generally fairly crowded (5.5 people) and tend to have more children (3.0) than adults (2.5). In rural Wisconsin, the number of people eating together is somewhat smaller (4.0) and is almost entirely composed of adults (3.3). These differences are statistically significant at the 1 percent level.

In more than one-quarter of urban households, at least 7 people typically sit down to dinner together compared to only 4 percent of rural families. In Barron, nearly two-thirds of respondents indicated that no children typically eat with them.

Table 2: Number of adults and children normally eating with family						
	Adults		Children		Total	
	Urban	Rural	Urban	Rural	Urban	Rural
Observations	137	120	137	120	137	120
Average	2.5	3.3	3.0	0.7	5.5	4.0
0	0%	0%	4%	63%	0%	0%
1	0%	3%	9%	13%	0%	2%
2	67%	23%	18%	20%	4%	13%
3	21%	37%	28%	3%	9%	32%
4	11%	21%	32%	2%	18%	22%
5	0%	11%	8%	0%	23%	16%
6	1%	5%	1%	0%	19%	12%
7	0%	0%	0%	0%	15%	2%
8+	0%	3%	0%	0%	13%	2%

Respondents were asked about who is typically responsible for purchasing goat meat and the months during which their families currently consume goat meat. For the sample as a whole, women (137) are slightly more likely to be responsible for purchasing goat meat than men (108). However, the gender difference in goat meat purchasers in urban (63 percent said women were typically responsible for goat meat purchases) and rural (48 percent said women were responsible) areas is significant. From a marketing perspective, therefore, Somali women should be a key target in the Twin Cities but marketing in Barron should be more gender neutral.

Table 3 summarizes the survey's results with respect to when goat meat is currently consumed. There is a clear pattern for urban consumers but not for rural ones. In the Twin Cities, goat meat consumption is substantially more common in winter months with, essentially all 137 families reporting that they buy goat meat every month from September through March. This drops to slightly more than one-third of the households purchasing goat meat during the summer months. In Barron, virtually all families report consuming goat meat during every month of the year.

In the Twin Cities, the drop-off in goat meat consumption during the summer is associated with household economic standing. Goat meat consumption during the summer is significantly greater in households with higher reported income. For example the percentage of families who buy no goat meat

during June, is 80 percent of those earning between \$15,000 and \$24,999 per year, 67 percent for those earning between \$25,000 and \$49,999, and only 45 percent of those earning \$50,000 to \$74,999. No such pattern exists in Barron.

Table 3: Percentage of households buying goat meat by month		
Month	Percent urban consumers buying goat meat in:	Percent rural consumers buying goat meat in:
January	100%	98%
February	100%	98%
March	99%	97%
April	53%	97%
May	42%	98%
June	39%	96%
July	37%	97%
August	37%	98%
September	91%	96%
October	100%	96%
November	100%	96%
December	100%	96%

Perhaps because suitable stores are close at hand, Twin Cities Somalis are significantly more interested in purchasing goat meat within walking distance of their homes (73 percent) than are those living in Barron (9 percent). In contrast, 54 percent of Somali's in Barron are willing to drive for more than an hour to purchase goat meat compared to none of those living in Minneapolis-St. Paul.

C. Comparing goat and other meat consumption

Table 4 indicates that both urban and rural Somalis' have a strong preference for goat meat in their diet with about half indicating that they use goat meat in more than 7 meals per week. Very few of those interviewed said they consumed goat meat at fewer than 3 meals per week. In sum, relative to other types of meat, Somalis in this sample appear to eat considerably more goat meat than any other type of meat considered. These differences are significant at the 1 percent level.

Table 4: Number of meals per week using different meats							
Meat	Observations	Average (1)	None	1-2 Meals	3-4 Meals	5-6 Meals	7 or More
Goat, Urban	137	4.49	0%	0%	4%	44%	53%
Goat, Rural	119	4.25	0%	2%	18%	35%	45%
Lamb, Urban	132	3.82	0%	10%	16%	57%	17%
Lamb, Rural	17	1.94	12%	82%	6%	0%	0%
Beef, Urban	89	3.24	0%	24%	29%	47%	0%
Beef, Rural	7	1.57	57%	29%	14%	0%	0%
Chicken, Urban	89	2.20	1%	79%	19%	1%	0%
Chicken, Rural	117	2.78	2%	42%	41%	8%	8%

(1) 1 = none, 2 = 1-2 meals, 3 = 3-4 meals, 4 = 5 - 6 meals, 5 = 7+ meals

Beyond the nearly universal preference for goat meat, stark differences emerge between the meat eating habits of Somalis living in Barron and the Twin Cities. Lamb and beef are substantially more popular with urban Somalis and those living in Barron eat more chicken.

Table 5: Goat and Lamb Meat Consumption, Barron County Somali Population			
Pounds per Week	Goat		Lamb
0	0%		79%
1 – 5	3%		12%
6 – 10	11%		8%
11 – 20	22%		1%
20 – 30	61%		
30+	14%		

Somalis living in Barron, but not those in the Twin Cities, were asked how many pounds of goat and lamb meat they usually purchase per week. These results are summarized in Table 5. The specific values in Table 5, at least for goat meat, are suspect. These results indicate that the average Somali consumes about a pound of goat meat per day, every day. The general conclusion that most Somali consumers in Barron strongly prefer goat meat over lamb, however, is probably not in doubt.

Table 6: Form in which meat is normally purchased and preferred form					
Meat Type	Form	Urban		Rural	
		Normal	Preferred	Normal	Preferred
Goat	Frozen	69%		97%	1%
	Fresh at market	31%	100%	3%	22%
	Live at market				48%
	Live at farm				30%
	Not applicable				
Lamb	Frozen	71%		91%	14%
	Fresh at market	29%	100%	5%	64%
	Live at market				5%
	Live at farm				18%
	Not applicable			5%	
Beef	Frozen	99%		50%	25%
	Fresh at market	1%	100%		75%
	Live at market				
	Live at farm				
	Not applicable			50%	
Chicken	Frozen	100%		78%	6%
	Fresh at market	0%	100%	19%	44%
	Live at market			2%	35%
	Live at farm			1%	15%
	Not applicable				

As Table 6 indicates, currently most meat purchased by the Somali population in both rural and urban areas is frozen. Urban Somalis are significantly more likely to purchase fresh goat and lamb meat than are those in Barron County.

The most interesting feature of Table 6 is the difference between rural and urban Somalis with respect to the form in which they prefer to buy meat. The data on the preferred form of meat for Somalis in Barron are fairly thin with respect to lamb (22 observations) and beef (4 observations) but for goat and chicken the preference for purchasing live animals is clear. Thirty-six (30 percent) of the 120 Barron County Somalis said they would prefer to buy their goats live from a farm. When combined with the earlier reported willingness to drive fairly long distances to purchase goat meat (Section B of this report), this result suggests that on-farm sales to this population is a realistic marketing approach.

D. Meat Purchase Decision Factors

Respondents were asked to indicate whether a variety of factors make it difficult for them to purchase goat meat. The percentage of the two Somali populations who identified a given factor as an impediment is shown in Table 7.

Table 7: Factors Making Goat Meat Purchases Difficult		
Impediment	Urban (Percent)	Rural (Percent)
Lack Available of Fresh Meat	94%	93%
Lack Information	80%	43%
Poor Quality	26%	97%
No Halal processing	12%	24%
No Transportation	11%	7%
Uncomfortable Going Direct to Farm	6%	3%
High Price	1%	91%

Urban and rural Somalis feel strongly that the supply of fresh goat meat in the area is inadequate and they agree that an inability to travel to farms and being uncomfortable going directly to those farms to purchase goat meat are non-issues.

The two groups have starkly different opinions about the other four items in Table 7, all of which are bolded to indicate statistically different response patterns. Given that we know that the population in Barron has a lower average income than those in the Twin Cities, it is not surprising that price is a bigger factor for the rural group. The magnitude of the difference in concern about the goat meat price between the two groups is quite stunning, however. Perhaps because they are in a rural area and, therefore, closer to the source of supply, a lack of information about where to buy goat meat is not nearly as big an issue for the Barron group as for the city population. The Barron County Somali population is also more concerned about the quality of goat meat and the availability of Halal processing than are those in the cities.

The final issue about which the respondents were asked dealt with various characteristics of meat, how important each is to Somali consumers, and which features are of greatest importance. These results are summarized in Tables 8 and 9. With respect to the importance of meat characteristics, the respondents were asked to rank each feature on a scale of 1 to 5 with 1 being least important and 5 being most important. As you can see, for urban consumers, Halal certification has the highest average level of importance with nearly everyone interviewed giving this a weight of 5. Other features to which this set of consumers attached great importance include: goat meat (4.96), availability of fresh (not frozen) meat (4.93), and having the option to purchase body organs (4.61).

Table 8: Importance of Meat Features			
	Urban		Rural
	Ave Importance (1)		Ave Importance (1)

Halal Certification	4.99		4.37
Goat	4.96		4.96
Fresh (not Frozen)	4.93		4.91
Option for Internal Organs	4.61		4.60
Able to Select Live Animal	4.47		4.82
Live Animal	4.45		4.91
Lamb	4.01		1.81
Price	3.88		4.27
Beef	3.80		1.26
Leanness	3.21		2.68
Fat Content	3.16		2.46
Chicken	2.93		3.81
1. 1 = least to 5 = most			

While these features are also very important to rural Somali consumers, Barron residents have a very different ranking order. The most important feature for Somalis living in Barron is that the meat be goat (4.96), being able to buy a live animal (4.91) and being able to buy fresh rather than frozen meat (4.91) were next in order of importance. Barron consumers attach significantly more importance to the price of meat and to chicken and significantly less to beef and lamb meat. Finally, Somalis in Barron are less concerned about meat composition (fat content/leanness) than are those in the Twin Cities

In addition to asking about the importance of the 12 meat features listed in Table 8, we asked both sets of respondents to identify the feature that is most important, second most important and third most important to them. These results are summarized in Table 9. The differences between the two sets of Somali consumers are readily apparent in this table; the differences in the pattern of responses with respect to the most, second-, and third-most important features are all highly significant.

The only items which appeared in the top three features for a majority of urban Somalis were Halal Certification and being able to buy fresh rather than frozen meat. All but two of the features in Table 9 (beef and lamb) were rated among the three most important features by at least one urban respondent.

Somalis living in Barron, in contrast, appear to attach importance to a much more selective group of features, features for which there is near unanimity of opinion. All but one of the people sampled in Barron said that being able to select a live animal and it being goat meat were among their most important features. All but 2 of 121 respondents said that being able to buy a live animal was important. None of the other options were cited by more than 2 percent of the sample population. The nearly complete unanimity of responses to this question does raise concerns about the potential for enumerator bias (were respondents coached in their responses?). However, if the responses in Table 8 and 9 are an accurate reflection of what Somalis living in Barron value in meat, then direct marketing of goats to this group could be a viable option (assuming that the producer can meet their expectations with respect to both price and quality).

Table 9: Top 3 Meat Features Among Urban and Rural Somalis									
	Urban (number)			Percent Top 3		Rural (number)			Percent Top 3
	Most Important	2nd Most Important	3rd Most Important			Most Important	2nd Most Important	3rd Most Important	
Halal Certification	0	0	0	0%		0	0	2	2%
Fresh (not frozen)	0	0	0	0%		0	0	0	0%
Option for Internal Organs	29	0	1	22%		27	44	49	99%
Able Select	6	5	0	8%		0	1	0	1%
Goat	1	6	3	7%		0	0	0	0%
Live Animal	0	1	8	7%		0	1	0	1%
Chicken	87	24	1	82%		0	0	0	0%

Leanness	0	2	1	2%		0	0	0	0%
Fat Content	5	78	21	76%		0	0	0	0%
Price	6	5	19	22%		35	55	29	98%
Beef	1	13	34	35%		59	20	41	99%
Lamb	1	2	48	38%		0	0	0	0%

E. Conclusions

As was true with the first phase of this study (Somali Goat Meat Preference Survey, Fall 2004, Survey Research Center Report 2005/3, January 2005), the follow-up survey of Somalis living in Barron, Wisconsin provides a wealth of interesting information. The most obvious conclusion is that these two populations of Somali-born consumers have very different demand characteristics for meat.

The population in Barron appears to be somewhat younger, more recent immigrants to this country, and have lower levels of formal education and income. It is disproportionately made up of adults without children.

In terms of purchasing patterns, women are substantially less dominant buyers of goat meat in Barron compared to the Twin Cities. In addition, there is no seasonal pattern of goat meat consumption in Barron while consumption is concentrated in the winter months in the metropolitan area.

Barron County Somalis are more single-minded in their consumption of goat meat than are their urban counterparts. Rural Somalis report eating enormous amounts of goat meat, would dearly like to buy live animals, and are more price and quality conscious than urban Somalis.

Direct marketing of live animals to the Barron County population appears to be a viable option.

Meat Processor Survey

Contact Person: _____ Phone Number: _____

Plant Name: _____ County: _____

Address: _____

Volume/ YR

Kill Cost

Processing Cost

Cooling Time

Beef				
Hog				
Sheep				
Goat				

Approximately how many producers do you serve? _____

How many weeks in advance will slaughter space need to be reserved? _____

Does that lead-time vary according to the time of year? _____

Do you accommodate special cutting or packaging requests? _____

Do you have the ability to dispose of all hides and offal? _____

Is locker space available or will all meat have to be picked up as soon as wrapped? _____

Do you have enough cooler space to age the carcass to the producer's specifications? _____

Do you have the ability to cryovac cuts of meat or do you use freezer paper? _____

Have you had experience doing religious slaughter? _____

Are you willing to allow traditional religious slaughter? _____

Other Comments: _____

FOOD MARKET SURVEY

Contact person: _____ Phone number: _____

Name of Market: _____

Address: _____

How long have you been at the present location? _____

How long have you been in the food industry? _____

What are your customer's primary ethnic background?

Hispanic: _____

Hmong: _____

Somali: _____

Turkish: _____

Other: _____

What volume of goat meat do you sell each month?

Frozen: _____

Fresh: _____

What is the country of origin? _____

What price per pound does goat meat generally sell for? _____

Would you purchase fresh (unfrozen) goat meat from area producers? _____

If yes, at what price? _____

Preferred form: Carcass: _____ Quartered: _____

Cuts: _____

What do you estimate the volume of goat meat required in the twin cities?

Do you see this increasing? _____ At what rate? _____

What ethnic group purchases the majority of goat meat? _____

Comments: _____

PRODUCER SURVEY
February 2005
Northwest Region of WI

1. Do you currently direct market lamb or kids? Yes: ☐ No: ☐
- If Yes, how many lambs: _____ kids: _____
- Customer ethnicity? _____
- If No, would you if financially favorable? Yes: ☐ No: ☐
2. Do you need additional supports to start or to increase direct marketing? Yes: ☐ No: ☐
- Type of support(s) desired? Check all that apply:
- ☐ Workshops ☐ Individual Consulting ☐ Group Consulting
- ☐ Handbook Other: _____
3. Current challenges for starting or increasing direct market sales?
- ☐ Distance to slaughter facilities ☐ Outreach / advertising
- ☐ Scheduling issues slaughter facilities ☐ Location of your farm
- Other: _____
4. How close are you to a facility that processes lamb and/or goat? _____ miles
5. Relationship to slaughter / processing facility:
- ☐ Poor ☐ Good ☐ Excellent No opinion
6. Do you see a need in your area for more slaughter / processing facilities?
- ☐ Custom Slaughter ☐ State Inspection ☐ USDA Inspection
- ☐ Not required ☐ No opinion ☐ With Dir Marketing services
7. If profitable, would you provide live lambs or kids to a customer pool collection site?
- ☐ Yes ☐ No Concerns: _____
8. If profitable, would you add or increase goats to your enterprise?
- ☐ Yes ☐ No Comments: _____
9. General area where you are located (such as county or nearest city): _____

Provide Additional Comments on Back:

FOOD MARKET SURVEY

Summary

A short survey was administered by a bi-lingual Somali community resident and a WI goat producer team. Twenty Somali owned food markets were selected. The largest ethnic market, Holy Land, was also interviewed but the information was not included in the following averaged data.

- The average time the markets have been at their present location was 4.3 years with a range of 2 to 8 yrs.
- This is the same length of time these owners have been in the food business.
- Somalis made up 95% of the customers. Hispanic made up the balance 5%.
- Goat carcass sales averaged 19 per month with a range of 10 to 30.
- Lamb carcass sales averaged 14 per month with a range of 10 to 20.
- 100% of the meat was imported from Australia.
- 100% of the meat was purchased as whole carcass.
- 100% of the owners would purchase direct from farmers if available.

Holy Land sells goat and lamb to a more diverse ethnic consumer that includes Somali, Ethiopian, Russian, Mexican, Hmong and various African immigrants. During the month of Ramadan they sell 30-40 carcasses per day, every day for the month, or 900 to 1200 carcasses total. During the rest of the year they maintain an average of 40-50 carcasses each month with a slight decrease in the summer. The estimated yearly total is 1500 carcasses the vast majority imported from Australia.

PRODUCER SURVEY

Summary

A producer survey was distributed at the Indianhead Sheep Breeders Conference on February 5, 2005. A drawing for \$35, \$25 gift certificates and a stuffed toy goat was used as an incentive for returns. The second page of the survey could be torn off and used to enter the drawing with disclosure of name. If additional information was desired on animal pooling project contact information was requested. Of the estimated 120 adult attendees 67 responses were received. 52 also signed up for additional information on animal pooling.

The producers were asked about their current direct marketing efforts. 57% reported that they did direct market. Of that percentage 60% reported marketing 1-10 lambs or kids per year, whereas, 20% reported marketing 100 or over per year. It appears that the majority of producers that direct market do so at a minimal level per year. The next largest number reported direct marketing at a significant number (over 100) per year.

The diverse ethnic groups currently being marketed to include: Nigeria, Ethiopia, Romania, Pakistan, Muslim, Argentina. No Hispanic or Mexican families were noted although this one of the largest ethnic groups in rural WI.

Of the producers that were not direct marketing, 100% stated they would if it was financially favorable to do so.

The producers were then asked if they needed additional support to start or to increase direct marketing. 81% reported Yes. Of those that reported yes, 84% requested support in the form of workshops, 52% in the form of a handbook, 48% in the form of individual counseling.

Current challenges for starting or increasing direct market sales included: Distance to slaughter facilities 48%, Scheduling at the facility 42%, Outreach to customers 42%.

When asked if they saw a need for more slaughter/processing facilities in their area 71% reported a need for an USDA facility, 42% reported a need for more custom slaughter facilities and 29% reported a need for more state inspected facilities.

When asked if they would provide live lambs and kids to a marketing pool collection site 87% of producers stated yes.

When asked if they would add goats to their enterprise if financially profitable 57% stated yes.

MEAT SLAUGHTER AND PROCESSING FACILITY Survey

During November, December of 2004 and January of 2005 phone surveys were administered to 68 slaughter and processing facilities in northwest WI and northeast MN.

The cost to slaughter and process lambs and kids ranged from \$40 to \$80 a head. The majority report a total cost for both steps. When a per pound processing cost was reported a 100 pound live weight lamb was assumed and the cost adjusted. The average cost to process a lamb in northwest WI is \$56.0